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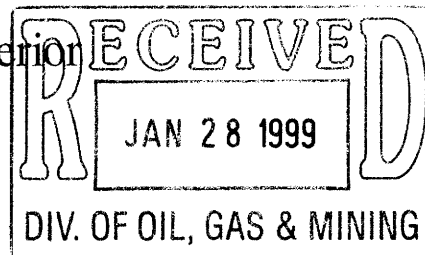
Pam Gaudreault - Littery



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155



In Reply Refer To:

3452

U-25485

(UT-932)

JAN 26 1999

Mr. Lowell Braxton, Director
Utah Division of Oil, Gas and Mining
P.O. Box 145801
Salt Lake City, Utah 84114-5801

Dear Mr. Braxton:

*ACT/COA/038
1006 #2*

Enclosed is a copy of a Federal coal lease partial relinquishment filed in this office by Blackhawk Coal Company and Cyprus Plateau Mining Corporation on January 14, 1999. The partial relinquishment was filed for Federal coal lease U-25485.

Pursuant to 43 CFR 3452.1-3, a relinquishment can be accepted if it is determined that the relinquishment will not impair the public interest and that all obligations of the lessee under the regulations and the terms of the lease have been met. Please advise whether you have any objections to this relinquishment. If a response is not received by March 1, 1999, this office will conclude there are no objections to the relinquishment.

Please review the relinquishment in accordance with the Memorandum of Understanding (MOU) "Processing of Requests to Relinquish Federal Coal Leases" (10-MOU-97-001).

If the relinquishment is not accepted, the lands will be segregated into a new lease upon acceptance of the modification of the Blackhawk LMU. The new lease will be subject to termination September 1, 2000, for not achieving diligent development.

Douglas M. Koza

Douglas M. Koza
Deputy State Director,
Natural Resources

Enclosure
Relinquishment



**CYPRUS AMAX
MINERALS COMPANY**

Cyprus Amax Minerals Company
9100 East Mineral Circle
Post Office Box 3299
Englewood, Colorado 80155-3299
(303) 643-5000

November 20, 1998

Utah State Office
U. S. Department of the Interior
Bureau of Land Management
P.O. Box 45155
Salt Lake City, UT 84145-0155

RECEIVED

**CERTIFIED MAIL
P 124 109 129**

JAN 14 1999

Bureau of
Land Management

RE: Partial Relinquishment of U.S. Coal Mining Lease U-25485

Gentlemen:

This letter is being submitted as a formal request for the partial relinquishment of U.S. Coal Mining Lease U-25485 pursuant to the requirements set forth in 43 CFR §3452.1. This request for partial relinquishment is on behalf of Cyprus Plateau Mining Corporation ("Cyprus"), the sublessee of U-25485. The acreage requested to be relinquished from U-25485 is described as Lot 4 of Section 31, Township 12 South, Range 9 East, SLM, Utah containing 53.08 acres, more or less.

On November 20, 1998 Cyprus submitted a formal request for modification of LMU UTU-73346. Included in Cyprus' request for modification is the addition of certain acreage that is part of U-25485. Lot 4 of Section 31, T12S-R9E, SLM is not included in the request for modification of LMU UTU-73346 because it is not contiguous with the balance of the acreage in U-25485 and is also not contiguous to any other lands which Cyprus has requested for inclusion in LMU UTU-73346. For this reason, Cyprus is requesting the partial relinquishment of U-25485.

Please acknowledge receipt of this letter by dating and signing where indicated below and returning one copy of this letter to my attention at the letterhead address.

Should you have any questions concerning this request for partial relinquishment of U.S. Coal Mining Lease U-25485, please do not hesitate to contact L.T. Gaskins, Senior Land Administrator for Cyprus, at 303/643-5087 or Hans Bihr, Division Landman for Cyprus, at 303/643-5207.

CYPRUS PLATEAU MINING CORPORATION

BLACKHAWK COAL COMPANY

By: Frank J. Wood
Frank J. Wood, Vice President

By: C. A. Ebetino, Jr.
Name: C. A. Ebetino, Jr.
Title: President and
Chief Operating Officer

H. Bihr, 224S
L.T. Gaskins, 258S
T. Hurst, Willow Creek Mine
J. Trackemas, Willow Creek Mine
G. Walker, 235S

RECEIVED AND ACKNOWLEDGED this _____ day of _____, 1998.

By: _____

Title: _____